Agricultural Situation

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LAND: OUR MIXED BLESSING

VALUE MAKES IT A COSTLY NECESSITY

More buyers looking for farms plus fewer farms up for sale. This combination helped to boost total farm real estate value to $171.1 billion as of March 1, 1966, up 7 percent from a year earlier. Land values are expected to continue rising through late 1966.

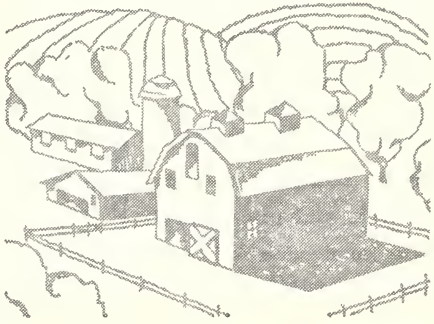
The average value per operating unit rose to $57,100. The range was from $24,100 in the Appalachian region to $153,800 in the Pacific States.

The average value per acre rose to $157 during 1965. State gains of 12 to 15 percent in the Delta and Corn Belt regions pushed the national index of average value per acre to 150 (1957–59=100) on March 1. This was 8 percent above a year earlier and 3 percent above November 1965.

Per acre values ranged from $54 in the Mountain States to $321 in the Pacific region. Per acre values by States reflect extremes in type of farming and land quality. They ranged from $28 in Wyoming to $693 in New Jersey. Illinois had the highest value in the Corn Belt—$417—followed by Indiana with $357, and Ohio and Iowa with about $315. The average for the Corn Belt was $306 per acre and $62,400 per farm. The lowest State value per farm was $15,700 in West Virginia ($93 per acre).

RISING VALUES FOR FARMLAND

DATE	TOTAL VALUE	VALUE PER FARM	VALUE PER ACRE
	BILLIONS		
MARCH '64	$150.8	$48,000	$137
NOV. '64	157.8	49,300	141
MARCH '65	159.4	52,200	146
NOV. '65	165.4	54,300	152
MARCH '66	171.1	57,100	157



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Other factors in the land market during late 1965 and early 1966 were a general decline in the credit supply, somewhat higher interest rates, and more land taken for suburbs, roads, and industrial uses. Such competition for land has, in certain areas, boosted farm prices as much as 50 percent above their agricultural value.

Voluntary land transfers rose to 31 per 1,000 farms in the year ended March 1. This was 8 percent above the previous year and the highest rate since 1959. The tax sale and foreclosure rate was estimated at 1.5 per 1,000 farms. The number of such sales dropped to 2,700, a new low. While the number of complete farm purchases declined 9 percent in 1965, farm enlargements increased slightly. The latter accounted for 54 percent of all transfers reported.

Two-thirds of all farmland buyers during the year were active farmers—both owner-operators and tenants. The percentage of owner-operator buyers rose slightly. The kinds of sellers have changed very little over the past 6 years—active farmers sell about half of the properties and other owners about a fourth. The remaining sales are for estate settlements or by retired farmers.

Credit figured in three-fourths of the farm sales in each of the past 3 years. Debt as a percentage of the sales price has trended upward; in March 1965, it reached 72 percent.

Sellers remain the major source of farmland credit. They financed 38 percent of all credit sales last year, 77 percent of them by land contract. With less money available from commercial sources and rising interest rates this year, seller financing should be even more important.

Among commercial lenders, banks are the most frequent source of funds, followed by insurance companies and Federal land banks. These three accounted for 42 percent of all credit farm real estate transfers last year.

Estimates of residual returns to farm real estate (roughly comparable to the returns on stockholders' corporate equities) rose sharply from 1964 to 1965. After an allowance for operators' management, the rate was 5 percent. This was up from 3 percent a year earlier and the 1960–64 average of 3.5 percent. Net land earnings per acre averaged about $6.60 in 1965, compared with $3.70 in the relatively poor profit year of 1964.

Most of the gain in land returns last year was the result of the 20-percent jump from 1964 in total agricultural income. The charge for labor declined a little because of the declining amount used for farming, offsetting some gain in wage rates. Allowances for returns to nonreal estate capital (buildings, farm equipment, and the like) and to management increased slightly.

Gross cash rents per acre kept rising at about the same rate as market values, both for farms and for pastures. Farm rents ranged from $6.65 per acre in South Dakota to $28.70 in Illinois. Gross rent-to-value ratios went from 5.6 percent in Ohio to 9 percent in North Dakota. Pasture rents reported were from $2.60 an acre in North Dakota to $11.45 in Iowa, with rent-to-value ratios from 3.8 percent in Illinois to 8.8 percent in Wisconsin. Pasture rents vary a great deal with quality—Corn Belt figures are often for cropland while those in North Dakota and South Dakota are largely for permanent pasture.

William H. Scofield
Economic Research Service

The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work.

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FARMING IN THE FAR NORTH

You probably don't think of Alaska as an agricultural State. You're absolutely right. But it can boast an estimated 330 farms.

Although 900,000 acres of Alaska's total land area are listed as used for farming, over nine-tenths of the acreage consists of grazing land leased from the Government. So, only about 70,000 acres are actually in farms and only a fourth of that is cropped for harvest. The rest is pasture and uncleared land. Very few farms have been entirely cleared of brush and trees.

Alaska's agricultural production, with the exception of wool, is limited to the commodities used in the State. The high costs of producing most items make it impossible for farmers to ship them "outside" and compete with similar products from other States or countries. Alaska's farm labor wages in 1965 averaged $410 per month with house, $300 per month with room and board for single workers, and $2.15 an hour without room and board.

Cattle roundup near Homer on Kenai Peninsula.

Due to climate and terrain, Alaskan farms are confined to relatively small areas. The major farming region is in the Matanuska Valley around Palmer. This district (2 on the map) also takes in a few operations around Anchorage and in the adjoining Susitna Valley. Other areas are the Tanana Valley (district 1), the Kenai Peninsula (district 3), the Southeast (district 4), and the Southwest and East (district 5).

The climate in these agricultural areas varies widely. The Southeast or "Panhandle," Kodiak Island, the Aleutians, and much of the Kenai Peninsula have a maritime climate with warmer winters and cooler summers than in the interior. The growing season is usually longer. But cloudiness, heavy rains, and cool temperatures may delay crop maturity.

Oats crop near Soldatna.

Farther north, summers are shorter but warmer, and winters are cooler. Frost-free periods in the Tanana and Matanuska Valleys last about 100 days. However, the long days of sunshine and warmth make crops mature fast. In summer, Anchorage has up to 17 hours of sunshine daily; Fairbanks has 21 hours. April, May, and June are often the driest months, so some potato and vegetable growers irrigate their fields. Rains usually come in late summer and fall, making haying and grain-ripening difficult.

In the Matanuska Valley, most good farming land is privately owned. Land still available for homesteading is usually remote from roads, electricity, and telephone. Dairying is the most important farming enterprise with potatoes second. Rainfall during the growing season is usually adequate because evaporation rates are low. Harsh winter winds and spring runoff often cause erosion on unprotected land.

The lower Susitna Valley is similar to the Matanuska Valley in soils and growing conditions. It consists of uplands and river terraces, interspersed with muskeg—that is, bogs. The upper

Valley has short frost-free seasons, only 60 to 75 days long in some areas.

The Tanana Valley is the second largest farming area. Contouring is especially important because the high mica content of the soils promotes erosion. Land clearing costs may be somewhat less than in the Matanuska Valley, but other expenses are higher due to added freight charges.

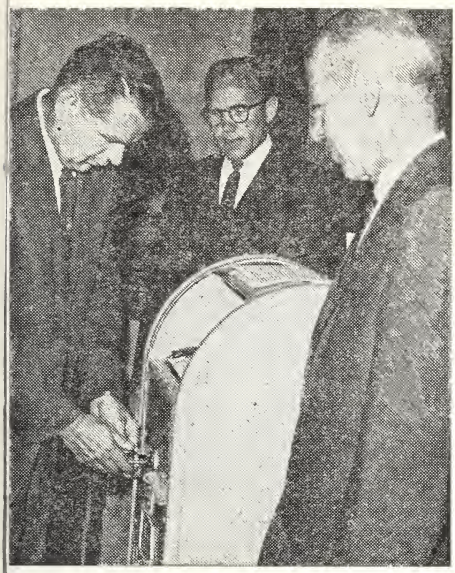
In the Kenai Peninsula, most farms are small and just beginning to be developed. Much of the food produced is used locally. There are dairy, beef, swine, and poultry farms, as well as smaller crop operations. Much of the area south of the Kasilof River is covered by dense native grasses—good potential summer grazing. Winter grazing is usually impossible due to damp cold weather, heavy snow, and the low feeding value of winter vegetation. Some native grass is cut for winter feed. Temperatures during the growing season average 44° to 61°.

In southeastern Alaska, the chief products are fish and lumber. The Forest Service estimates more than a billion board feet of timber for plywood, pulpwood, lumber, and byproducts can be harvested each year from the 21-million-acre national forest.

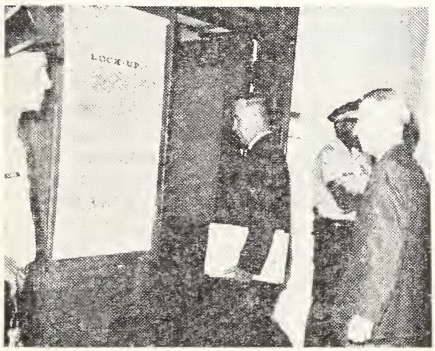
On Kodiak and the Aleutians, stock raising (cattle and sheep) is the leading agricultural enterprise. Natural vegetation and grasses provide seasonal and even year-long grazing, although supplemental feeding is recommended. Expansion of livestock operations is limited by the lack of winter feed, transportation costs, and poor marketing opportunities, rather than the rangeland. Wool is shipped and sold in the lower 48 States. Some beef is shipped to Anchorage.

All cattle on Alaskan farms January 1, 1966, were estimated at 8,200 head, up 2 percent from a year earlier. Dairy cattle numbers, at 3,300 head, continued to decline. (There were 45 grade A dairy herds on January 1.) The number of all other cattle rose 17 percent from January 1, 1965, and totaled 4,900 head. Sheep and lamb numbers were 23,000 head on January 1 this year, 15 percent more than a year earlier. Hogs and pigs totaled 1,400 head, the same as a year ago.

Duane M. Skow
Statistician-in-Charge

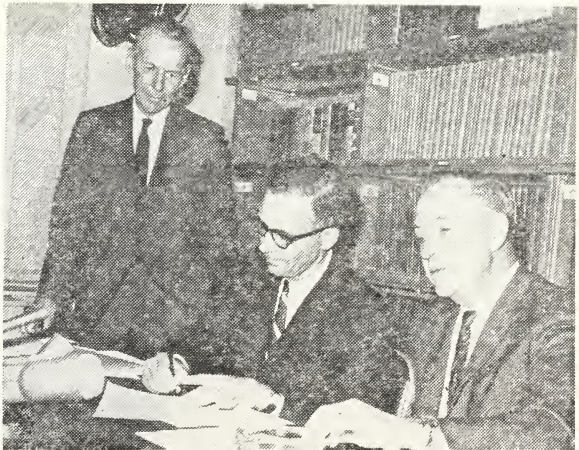


Mr. Woolsey, on the right, and James Nash (Plant and Operations), center, watch as M. L. Koehn, Secretary of the Crop Reporting Board, opens the locked mailbox containing the State summaries of crop report figures.



Mr. Woolsey follows Glenn Simpson, Chairman of the Crop Reporting Board, into locked quarters where the final stages of preparing the crop report will begin.

While Mr. Woolsey and Mr. Simpson observe, John Schnittker, Under Secretary of Agriculture, signs the report, giving official permission for its release.



JULY 11 WAS GREAT DAY FOR SRS FOLKS

Centennial Day turned out to be plenty warm in Washington. But a good time was had by all, including Convers K. Woolsey, a cattle-cotton farmer from Aiken, S.C.

Mr. Woolsey played a unique role in the festivities. As featured guest, he represented all of you, the more than 850,000 volunteer crop and livestock reporters.

Starting before dawn, Mr. Woolsey's chores for the day were watching the preparations for the release of the July Crop Production Report. The release of this issue, the first in the Centennial year, kicked off the celebration.

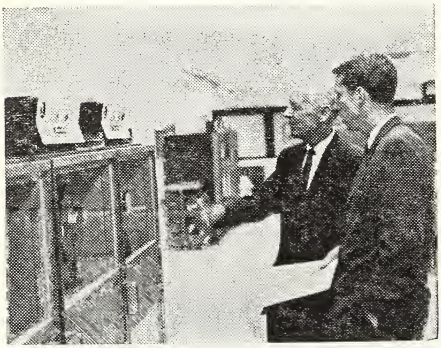
Mr. Woolsey, whose diversified farm has been in his family since 1869, has been a volunteer crop and livestock reporter since shortly after his graduation from college in 1929. Records of continuous reports from the Woolsey farm, however, date back to 1912. Mr. Woolsey's father was a reporter in those days and his grandfather is thought to have been a reporter in earlier years.

This long record of service by Mr. Woolsey and his family is typical of efforts by many other farmers and agri-businessmen nationwide—the people whom the Centennial is mainly intended to honor.

While this was the Centennial issue of the crop report, the proceedings you see in some of the pictures are typical of those for all locked reports.

As 3 p.m. approaches, Mr. Woolsey helps Mr. Schnittker, Mr. Simpson, and Mr. Koehn carry copies of the report down the hall where they will be released to waiting newspaper reporters and others.

After the report was released, there was cake and coffee for all who helped with it. While waiting their turn, Mr. Simpson pointed out some of the important details of the July report to Mr. Woolsey.



With the big day about over, Mr. Woolsey toured the new computer center with Kent Miller of the information staff. The new equipment processes crop and livestock figures faster than ever before.

Back on the family farm, Mr. Woolsey visits with C. H. Whitworth, Statistician in Charge in South Carolina. Some of his polled herefords graze in the background.

Where Are the Grain-Producing States?

When you look at grain crop figures, it's easy to see how the Corn Belt States got their name. Subtract their corn production figures from the U.S. total and you won't have much left. And two of these States– Illinois and Iowa—are heads and shoulders above all others. During 1965, their respective corn for grain crops were 891.7 million and 812 million bushels. The U.S. total was 4,171.1 million.

Kansas remained king of wheat output last year with 243.6 million bushels. North Dakota was runner-up with 179.7 million. The national crop added up to 1,326.7 million bushels.

North Dakota was the number one barley producer with a crop of 105.3 million bushels. California came in second with 69.3 million, followed by Montana with 50.7 million. All producing States turned in a total of 411.9 million bushels.

In sorghum grain production, Texas led with 285.7 million bushels. Kansas reported a crop of 136.7 million and Nebraska produced 126.9 million. The U.S. total was 66.1 million bushels.

Only a handful of States grow rice commercially and Texas is the leader. The Lone Star State's crop was 21.7 million bags in 1965. The six-State total was 76.9 million bags.

Illinois led in soybean output (for beans) last year. The crop totaled 174.6 million bushels. U.S. production came to 843.7 million bushels.

Statistical Reporting Service

REDUCED TILLAGE . . . COMPARISON

If you live in the Corn Belt, you or your neighbors may have already tried reduced tillage for corn and soybeans. Or you may have read some magazine articles or State agricultural bulletins about it. But regardless of all the pros and cons put forth, the biggest factor in adopting any new practice is cost. If it's cheaper, you'll probably consider it; if not, you'll wait.

Reduced tillage offers the greatest immediate opportunity to cut production costs for corn and soybeans. While the expense of seed, fertilizer, pesticides, and the like are relatively fixed, fewer tillage operations obviously cut direct labor and out-of-pocket machinery costs. And crop yields generally about equal those with conventional tillage.

There are several common methods of reduced tillage. Two of them—wheel-track planting and rotary tillage—were recently cost-compared with conventional methods in Illinois. The conventional equipment included what is necessary to produce corn, soybeans, and small grains—two 40-drawbar-horsepower tractors and ten 4-row implements. Wheel-track planting eliminates two implements—wheel disk and rotary hoe—but requires a larger tractor. Rotary tillage replaces four pieces of equipment but also requires a larger tractor.

Fewer implements with a larger tractor left total investment and annual overhead, based on new prices, about the same for reduced tillage and conventional methods. Not counting harvest costs, the labor and variable machinery expenses (gas, oil, and repairs) came to $2.81 per acre for rotary tillage, $3.82 for wheel-track planting, and $4.46 for conventional methods.

Although harvesting methods and equipment are the same for reduced and conventional tillage, harvesting came out more expensive with the reduced-tillage systems because the larger tractor is used for jobs that could be done with a smaller unit with lower operating costs. But savings in total operating costs more than compensate for the higher overhead costs. Total labor and variable machinery costs averaged $5.90 per acre for rotary tillage, $6.75 for wheel-track planting, and $7.34 for conventional methods.

Farm size makes a difference, too. Rotary tillage would be more economical than conventional methods with only 100 cropland acres. But nearly 200 acres are necessary for wheel-track planting to pay. At 800 tillable acres, wheel-track planting and rotary tillage had total cost advantages of $364 and $1,073.

Douglas A. Holler
Roy N. VanArsdall
Economic Research Service

FRUIT PROCESSING PROSPECTS

Look Promising for Many Kinds

With the 1966–67 fruit processing season getting into full swing, producers should take note of several conditions in the industry:

—Canners' stocks are generally below year-earlier levels;

—prices for processed items are generally higher than a year ago;

—lighter crops are in prospect for apricots, prunes, sour cherries, and apples—crops of clingstone peaches, Bartlett pears, sweet cherries, and strawberries are likely to be larger;

—continued strong demand for fruit is in prospect;

—the total 1966 canned and frozen fruit pack will probably approximate 1965 output, assuring adequate supplies of most items for domestic use, export, and end-of-season carryover.

The 1965 deciduous fruit crop came to 11.6 million tons; 7.4 million tons, or 64.1 percent, was processed. Fresh use accounted for 32.8 percent and farm home use for 0.8 percent. About 2.3 percent was abandoned because of economic conditions.

With the exception of apples, applesauce, and purple plums, the 1965–66 packs of important canned deciduous fruits were smaller than in 1964–65. Packs of pears, peaches, sweet cherries, red tart cherries, and fruit cocktail were down substantially. However, since canners' stocks of the major canned fruit items were about 45 percent larger than a year earlier at the start of the 1965–66 season, total supplies were off only 6 percent.

Season average prices received by growers for 1965-crop deciduous fruits for processing were mostly higher than in 1964. As might be expected, considerable variation existed among different fruits, producing areas, and forms in which the fruit was used.

Per person use of processed deciduous fruits—canned, frozen, and dried (fresh equivalent)—rose substantially last year. Use of fresh deciduous fruit slipped.

Except for frozen orange concentrate, 1965–66 output of most processed citrus items in Florida was considerably larger than in the previous season. The frozen orange concentrate pack amounted to about 65.3 million gallons by June 4, down 26 percent from a year ago. Canners' stocks on June 4 were 32 percent below last year.

Martin A. Blum
Economic Research Service

FREEZE-DRY FRUIT? TIME WILL TELL

Have you tried one of the new cereals with the fruit right in the box? Even if you haven't, you've probably seen some of their ads.

The fruits in these cereals are freeze-dried: They have been frozen, then dehydrated. This process got its start in the food industry in 1955. Since then, the kinds of food processed, their volume, and the number of firms handling them have expanded greatly.

Foods now being freeze-dried in greatest volumes are chicken, beef, ham, sausage, shrimp, crab, scampi, prawns, tuna, eggs, cottage cheese, asparagus, snapbeans, celery, bell peppers, mushrooms, chives, tea, soluble coffee, and strawberries, blueberries, and peaches.

Freeze-dried foods undergo a minimum of physical and chemical (largely flavor) changes. They have a long shelf life and there is no need for refrigeration (spoiling is almost nonexistent). Their light weight is a bonus.

Fruits and berries are particularly prone to spoil rapidly when fresh. And the season when most of them can be sold fresh is very limited. So, they are among the products with a lot of potential for freeze-drying. The extent to which this potential will be realized depends a good deal on the success of the freeze-dried fruit products now on the market and the continued advance of research to improve on the freeze-drying process.

Kermit Bird
Economic Research Service

Based on Information Available August 8, 1966

WHEAT SUPPLY AND PRICES

The U.S. wheat supply at the beginning of the 1966–67 marketing year was substantially below last year's supply and the smallest since 1953–54. Both the smaller July 1 carryover of old-crop wheat and the smaller crop indicated for 1966 contributed to the decline. The new crop year started with a bullishness not seen in the market since the immediate postwar years. Prospects of a smaller supply and a high level of export demand combined to provide strong prices. From a level of 20 cents higher than a year earlier in mid-May, prices rose steadily until mid-June. Then, on announcement of Canada's 3-year wheat sale to the Soviet Union, prices climbed to even higher ground where they were still generally holding at the end of July. During the current marketing year, prices are likely to remain further above the Government loan rate than in any year since 1947–48. In that year, they averaged 45 cents a bushel above the loan—since then, the highest was 9 cents above in 1965–66.

COTTON DISAPPEARANCE

U.S. cotton exports are expected to rise sharply during the 1966–67 marketing year (beginning August 1). U.S. mill consumption is also expected to rise, but only slightly. As a result, total disappearance for the new year is projected at about 15 million bales compared with about 12½ million during 1965–66.

FED CATTLE MARKETINGS

Fed cattle marketings in October–December 1966 likely will continue large but the increase probably will be more moderate compared with a year earlier than has been the case so far in 1966. Thus, prices likely will strengthen later in the year, averaging near 1965 levels. However, larger supplies of pork and poultry meat this fall will tend to limit the fed cattle price advance. If the range deterioration of recent months continues, prices will be under additional pressure from larger slaughter of grass cattle.

TOBACCO SITUATION

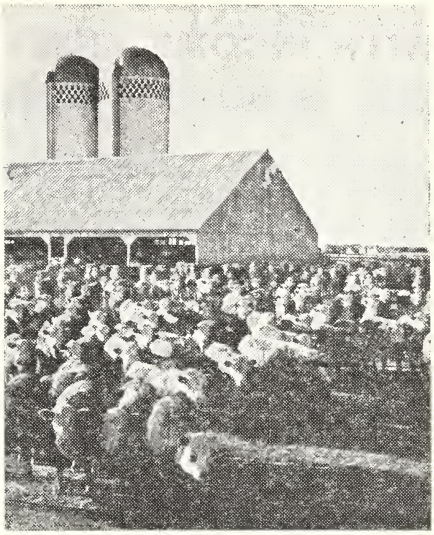
Flue-cured tobacco marketings this year may be about a tenth larger than last season. The increase will be mainly due to larger marketings by growers who last year fell short of their poundage quotas. Carryover of flue-cured leaf in mid-1966 is down significantly from the peak of a year earlier. The 1966–67 total supply—carryover plus this year's marketings—will be slightly below 1965–66, and notably under the 1964–65 record. Burley production, which continues under acreage allotments, is indicated moderately below last year. Carryover may also be down so the addition of this year's crop probably will result in the total 1966–67 supply being somewhat lower than recent years.

WOOL PRICES

The average price received by U.S. growers for shorn wool in 1966 likely will be up about 9 percent from the 47.1 cents per pound, grease basis, received in 1965. The domestic price gain this year is mainly the result of higher world prices (due to lower world output and increasing world consumption rates). Stepped-up domestic demand for apparel wool during the last 12 to 15 months also was a factor in encouraging growers to sell their clip somewhat earlier. Monthly average prices during January–July 1966 were from 4 to 14 percent above those months in 1965.

VEGETABLE PROSPECTS

Processed vegetable supplies, 1966–67 season, probably will be up moderately from last season. Early August reports for 6 major items indicate a 4 percent increase in tonnage. Supplies of sweet corn and tomatoes will be ample. Combined late summer and fall crop potato production is moderately below last year although still 5 percent above average; hot dry weather in July cut yield prospects sharply. Prices in recent weeks have recovered from mid-July lows. Sweetpotato production is forecast nearly a fifth below the large 1965 crop. If supply prospects materialize prices will average above those of the previous season.



MAJOR STATES' LEAD IN CATTLE FEEDING IS NO ACCIDENT

Ever wonder why some areas of the country specialize in particular types of farming? On the surface, it sometimes doesn't seem to make sense. But when you delve a little deeper, it *does* make sense, dollars and *cents*, that is.

Take fed beef production as an example. For quite a number of years, it's expanded in certain parts of the country—principally the North Central region (including the Northern Plains), Kansas-Missouri, the central Corn Belt, and some parts of Colorado and Arizona. Oklahoma and Texas are up and coming in fed beef, too.

At the same time, a number of regions don't produce enough finished cattle to meet demand. These are the Northeast, East South Central, and Southeast regions, and California.

We've long thought that the fed beef situation is as it is largely because of advantages in location and transportation costs. A recent analysis of the fed beef economy in the United States confirms these beliefs. This study also reveals some other interesting findings about competition among regions in fed beef output, given current transport rates and technology of today's meat industry.

—The central Corn Belt and the Northern Plains have a locational advantage over the rest of the northeastern quarter of the Nation.

—Location gives the Southern Plains a competitive edge over other surplus-producing regions in most major markets of the East South Central and Southeast regions.

—Under present conditions, the Kansas-Missouri area, as well as the Southern Plains, can't economically ship live or dressed beef to California.

—Although far from all deficit markets, Colorado producers could economically ship beef east, west, or southeast.

—If the Southern Plains emerged as an important surplus producer of fed beef, most other regions would be affected, particularly Colorado and other northern intermountain areas.

—Factors studied suggest that fed beef slaughter facilities will continue to shift from the northeastern United States and other deficit areas to the central Corn Belt, Northern Plains, Southern Plains, and other surplus regions. They also indicate that these shifts would tend to reduce fed beef transportation costs between regions.

Willard F. Williams
Raymond A. Dietrich
Economic Research Service

WITH INCOME AND POPULATION RISING EEC IS BUYING MORE AND MORE MEAT

Meat imports by the European Economic Community (EEC) shot up in 1963, to an estimated 871,000 metric tons from 668,000 the year before. A further gain to about 1.4 million metric tons occurred in 1964.

If the economies of the EEC (France, Germany, Italy, Belgium, Luxembourg, and the Netherlands) continue to grow as vigorously as in recent years, if their meat output develops as projected by USDA, and if they keep using meat imports to control domestic prices, they are likely to buy 1.5 million metric tons this year. This reflects a 1.3-million-metric-ton meat trade gap between the Community's production and consumption.

Obviously, the EEC looks like a good meat market for some years. In the past, the United States had a sizable share of that market. Our portion of EEC gross meat imports rose from 10 percent in 1959 to 22 percent in 1962 as poultry shipments expanded.

But when EEC poultry output rose, our shipments fell. So, subsequently the U.S. share of the EEC's total meat purchases dropped to slightly over 10 percent. Edible offal is now the only other important meat item we ship to the EEC. Annual volume has risen steadily to over 40,000 metric tons—now outranking poultry.

EEC meat output in 1962 supplied 96 percent of its own needs. But output began to level off and demand continued upward. Production was about the same in 1964 as in 1962, but accounted for only 89 percent of consumption. The EEC meat supply was curbed by a cyclical downturn in beef and veal production and lower than normal pork output beginning in 1963 and continuing in 1964. A rise in poultry production only partly offset the decline in the three red meats.

Pork production was expected to rebound sharply last year from 1964 and continue to climb into 1966. Poultry meat output should compound a 10-percent annual gain this year for the 12th consecutive time. This combination was expected to get total meat production on the uptrend in 1965 and 1966. It is likely to reach 10.4 million metric tons this year, up from 10 million in 1965. Beef production may recover during 1966.

The EEC's meat consumption is likely to continue advancing steadily in the near future, as it has throughout the postwar period. Consumption went from 10.1 million metric tons in 1962 to about 10.4 million in 1963 to an estimated 10.9 million in 1964. Estimates put last year's consumption at 11.3 million metric tons, and 11.7 million this year.

These gains largely result from the EEC's rising population and income. Population jumped about 10 percent during 1952–62—accounting for roughly 16 percent of the meat gain.

Donald W. Register and others
Economic Research Service

BIG FEEDLOTS FEW BUT GROWING

Feedlots with a capacity of 1,000 head or more continue to increase—but still account for less than 1 percent of all feedlots in the 32 major cattle feeding States. This is the gist of a special study by the Crop Reporting Board.

During 1964 (when the study was conducted), these large feedlots numbered 1,635, for a gain of 14 percent in 2 years. These large feedlots marketed 6,912,000 head of cattle in 1964, up 27 percent from 1962. Marketings from the large operations accounted for nearly 41 percent of all fed cattle sold from feedlots during 1964.

Ten feedlots had capacities of 32,000 head or more. Their number had doubled since 1962. The number of lots able to handle 16,000 to 31,999 head went from 26 in 1962 to 34 in 1964. Those with capacity for 8,000 to 15,999 head went from 105 to 120. The largest gain occurred in the 4,000 to 7,999 group which numbered 242 in 1964, up 63 lots in 2 years. Lots with a capacity of 2,000 to 3,999 head totaled 421, up 48, and those with a capacity of 1,000 to 1,999 head numbered 808, up 56.

Statistical Reporting Service

Most Broiler Producers' Incomes Improve

Gains in net incomes for typical broiler farms last year ranged from none in Maine to 126 percent in Georgia.

Cash receipts from broilers rose substantially for all typical farms. However, farms which also sell crops showed the most improvement, both in cash receipts and in net income.

Net incomes for commercial broiler farms in four important producing areas averaged as follows: Maine, $3,559 in 1964, $3,551 in 1965; Delmarva (broilers only), $2,433 in 1964, $2,743 in 1965; Delmarva (broiler-crop), $5,998 in 1964, $8,653 in 1965; and Georgia, $707 in 1964, $1,599 in 1965.

Georgia growers benefited from a substantial increase in the contract-price rate per 1,000 birds. It rose from $61 in 1964 to $75. Crop and livestock receipts were also higher.

Delmarva broiler payments under contract increased slightly. This gain, plus higher production, boosted receipts and net incomes on both types of Delmarva farms. Broiler-crop producers had an excellent crop year—corn and soybean yields were record high.

Although cash receipts for Maine producers rose last year, bigger operating expenses erased the gain.

Per farm output expanded in all the areas last year. Larger building capacity, slightly more lots of birds produced, and greater density of birds per square foot of floor space were the responsible factors.

Economic Research Service

LATEST POULTRY USE FIGURES
Show Gains in Popularity

Whether it's a matter of price or preference is hard to say, but poultry meats (chicken and turkey) are still gaining in popularity. Last year, civilian per capita consumption of chicken and turkey climbed to a record 40.7 pounds—up from 38.4 pounds in 1964 and 34.3 pounds in 1960. Nearly all the gain last year occurred in the second half.

Use of chicken in 1965 rose 2.1 pounds from a year earlier and totaled 33.3 pounds; broilers accounted for 29.4 pounds. Turkey consumption, at 7.4 pounds, was up a fifth of a pound.

Per capita poultry consumption probably will rise about 3 pounds more this year. This would be a larger gain than last year and the largest since 1961's 3.3 pounds.

At least some of the gain in poultry popularity can be laid to use of more convenience foods made entirely or partly with chicken and turkey. Such products include cut-up poultry, poultry parts, frozen dinners, pot pies, and turkey rolls and roasts. Federally inspected plants carried more than a fourth of all certified chicken beyond the ready-to-cook whole bird stage in 1965. This compares with 24 percent in 1964 and 21 percent in 1962. Figures for plants slaughtering turkeys were 26 percent in 1965, about 33 percent in 1964, and 17 percent in 1962. Federally inspected plants account for most chicken and turkey meat output.

Despite larger supplies, retail broiler and fryer prices were up last year: 39 cents per pound compared with 37.8 cents in 1964 and 42.7 cents in 1960. Such price strength was due to reduced pork production and the growth in demand for high-protein foods associated with a vigorously expanding economy.

Retail turkey prices during November and December last year averaged 48.9 cents per pound, up from 46.4 cents in the 1964 holiday season.

Per capita egg consumption was 308 in 1965, down from 313 in 1964 and 335 in 1960. About 30 of the eggs consumed per person last year were processed—mostly as ingredients in baked goods, mayonnaise, and noodles. Such use of eggs in 1965 was about the same as in the past 5 years.

Although egg production was about the same in 1965 as in 1964, per capita supplies available for civilian use tightened in the second half.

Herman Bluestone
Economic Research Service

MEET THE STATE STATISTICIAN . . .

HENRY RASOR

Not very many people claim *two* high school diplomas. Henry Rasor, Statistician-in-Charge in North Carolina, is one of those few. Henry managed this by graduating at age 15 and again at 16 because his parents felt he was too young to enter college the first time. However, the extra education gave Henry the boost that earned him a scholarship to Clemson A. & M. College, thus launching his career as an agricultural statistician.

Henry was born on a farm in Greenwood County, S.C., in 1906. He is one of eight children—four boys and four girls.

He received a B.S. in Agricultural Education from Clemson in 1927. However, the chance to work in the USDA–State statistical office in Columbia appealed to him more than the prospect of teaching school.

Starting out as a statistical clerk, Henry advanced to the rank of junior statistician. Shortly afterward, he was transferred to the Arkansas office in Little Rock.

In 1935, Henry was sent to the Texas office in Austin to work primarily with cotton forecasts and estimates. This experience led to a special assignment with the Census Bureau in 1940. When it was completed a year later, Henry shifted to the Washington, D.C., crop reporting office and took charge of the cotton forecasting and estimating program.

After a stint in that position, he welcomed the opportunity to get back out in the field. In 1945, he became assistant to the State statistician in Texas. Then in 1951, Henry took charge of the Louisiana office.

In 1953, an assignment he had long hoped for—Statistician-in-Charge in North Carolina—opened up. He accepted at once.

Proud to be a "Tar Heel" for the past 13 years, Henry is quick to talk about North Carolina's agriculture and its place in the Nation. While tobacco is still king in the State (accounting for more than half of cash income from farming), other crops such as corn, soybeans, peanuts, and sweetpotatoes also are important. Livestock production is continuing to rise.

After Henry arrived in Arkansas in 1930, he met and courted Leonora Williams. They were married in 1931. Sons Jerry and Jim came along in 1934 and 1941. In the early 1950's, Leonora's health began to fail. She died in 1958. Fortunately, son Jim was still at home with his father for the next several years while attending North Carolina State University. (Jerry had already graduated from North Carolina State with a degree in electrical engineering.)

In 1960 Henry met Evangeline Justice, a widow with one daughter, to whom he was married in 1962. Their three children are all married, and there are currently two grandchildren.

Keenly interested in their families, the Rasors also enjoy churchwork, traveling, and fishing. With retirement not too distant, they anticipate the chance to devote more time to these interests.

DAIRY DETAILS

Dairy Concentrate Feeding

Milk cows were fed an estimated 22.8 million tons of grain and other concentrates during 1965. This is about 1 percent more than in 1964. Milk cows on farms where milk or cream was sold consumed 98 percent of the concentrate total; the rest was fed to cows kept for milk for home use only.

Wisconsin led all States in total usage of dairy concentrates. Florida led in the amount fed per cow (5,290 pounds), with heavy feeding of citrus pulp.

Grain and concentrates fed on farms where milk or cream was sold averaged 36.7 pounds per 100 pounds of milk produced last year. This is 2 percent higher than in 1964.

Concentrate rations fed to milk cows in 1965 were valued at $3.02 per 100 pounds compared with $3.01 in 1964. The value fed per 100 pounds of milk produced was $1.11, up 3 percent. Corn accounted for 38 percent of the total concentrate ration, the largest single ingredient.

Winter Roughage Feeding

About 3.4 tons of roughage (hay equivalent) were fed per milk cow during the 1965–66 winter season. A year earlier, 3.5 tons were fed.

Milk cows were fed an average of 2.3 tons of hay during the 1965–66 winter season compared with 2.4 tons during the winter of 1964–65. Alfalfa or alfalfa mixtures accounted for three-fourths of all hay fed.

Milk producers fed 3.3 tons of silage per cow during the past season, up from 3.2 tons a year earlier. Corn silage was the leading kind fed, accounting for 83 percent of the total.

Reported values of hay fed to milk cows averaged $27.30 per ton on February 1, 1966, about the same as a year earlier.

Interstate Cattle Shipments

Shipments of dairy animals into and out of the 11 northeastern States rose during 1965. Inshipments totaled 93,000 head while outshipments reached 66,000. The net of 27,000 head moving in is 11 percent larger than a year earlier. Shipments outside the United States from the northeast totaled nearly 4,000, up 19 percent from 1964.

K. D. Ackers
Statistical Reporting Service

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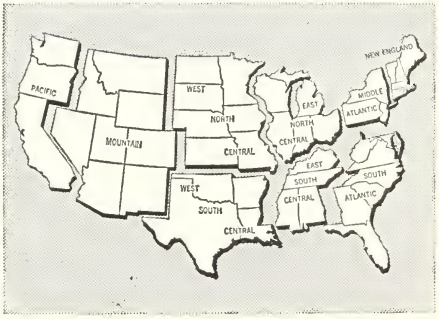

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